

MINUTES OF THE JOINT CAPITAL OUTLAY SUBCOMMITTEE

Meeting No. 10: Wednesday, September 24, 2014, 3:00 p.m.

Senate Appropriations Room, 3rd Floor, State Capitol
100 S. Capitol Ave., Lansing, Michigan 48933

The Joint Capital Outlay Subcommittee was called to order by the Chair, Senator Booher, at 3:03 p.m.

Members present

Senators: Booher, Schuitmaker, Jansen, Green, Moolenaar, Hood, and Anderson.

Representatives: Kowall, Muxlow, Potvin, Forlini, Jenkins, Zemke, and Durhal.

Members excused: None.

Chair Booher placed agenda item number 2 before the Subcommittee. Presentations on FY 2014-15 university and community college capital outlay priority requests were provided by:

1.	Bay de Noc Community College	Dr. Laura Coleman, President
2.	Western Michigan University	Captain David Powell, Dean WMU College of Aviation
3.	Grand Valley State University	Mr. Matthew McLogan, VP University Relations Mr. James Moyer, Associate VP for campus planning
4.	Kellogg Community College	Dr. Dennis Bona, President
5.	Lake Michigan College	Dr. Robert Harrison, President Mr. Lee Van Ginhoven, Executive Director, Facilities Management
6.	Lake Superior State University	Dr. Tom Pleger, President Dr. David Finley, Dean for Engineering and Business.
7.	Mid Michigan Community College	Dr. Christine Hammond, President
8.	Northwestern Michigan College	Mr. Tim Nelson, President
9.	Oakland University	Dr. George Hynd, President Dr. James Lentini, Provost
10.	Schoolcraft College	Mr. Glenn R. Cerny, VP and Chief Financial Officer
11.	Washtenaw Community College	Dr. Rose Bellanca, President Mr. Bill Johnson, Vice President & Chief Financial Officer

In between presentations by Lake Superior State University and Mid Michigan Community College, Chair Booher placed agenda item number 1 before the Subcommittee.

Minutes of Meeting No. 9 – September 17, 2014

Senator Schuitmaker moved adoption of the minutes, supported by Representative Muxlow. The motion passed on a favorable voice vote.

In between presentations by Northwestern Michigan College and Oakland University, Chair Booher placed agenda item number 3 before the Subcommittee

Michigan State University (MSU) Bio-engineering Facility Scope Change

DTMB Letter: Received 9/8/2014 (dated 9/5/2014)

The MSU Bio-engineering Facility received planning authorization in Public Act 329 of 2010, construction authorization in Public Act 192 of 2012, and a cost scope adjustment in Public Act 102 of 2013. As provided for in the construction authorization, the MSU Bio-engineering Facility project consisted of a new 67,505-square-foot facility focused on multidisciplinary research in bio-engineering and engineering health sciences with a total authorized cost of \$40,340,200 (State share \$30.0 million/university share \$10,340,200). Public Act 102 of 2013, at the request of MSU, increased the scope of the project by 61,045 gross square feet and \$17,359,800, with the increase funded entirely by MSU. (Total authorized cost \$57.7 million - State share \$30.0 million/university share \$27.7 million). The top two floors were to be unfinished space available for future build-out. MSU is now requesting support to apply project savings accrued on the Bio-engineering Facility project to complete as much of the unfinished portions of the building as possible. The first priority will be the third floor and atrium spaces, followed by as much fourth floor work as current savings allow. No additional State funds are being requested to support this scope change. The build-out is consistent with the initial intent of the project that will provide the capacity to accommodate planned growth in research in the area of bio-medical engineering research.

MSU is projecting project savings in excess of \$5,000,000 based on a review of the build-out scope, bids and experience on the initial project, and expenditures to date. The savings have accrued from a range of factors including continued favorable bid climate, design modifications, alternative material selection, and a collaborative review process throughout design and construction. MSU states that completion of a significant portion of the shelled space at this time will put the capital asset to work earlier by extending the duration for the construction workers, and permitting earlier use of the shelled space to accommodate planned growth in research. The increased scope of the project would be funded entirely by savings. No adjustment in authorized costs is being requested.

Senator Anderson moved approval of the MSU Bio-engineering facility scope change, supported by Representative Zemke. The motion passed on a 14-0 favorable vote.

FAVORABLE ROLL CALL

Yeas:

Senators: Booher, Schuitmaker, Jansen, Green, Moolenaar, Hood, and Anderson

Representatives: Kowall, Muxlow, Potvin, Forlini, Howrylak, Zemke, and Durhal

Nays: None

There being no further business before the Subcommittee, Chair Booher adjourned the meeting, the time being 4:22 p.m.

Senator Darwin L. Booher, Chair _____
Bill Bowerman, Senate Fiscal Agency, (517) 373-2768